Federal Economic Development Agency for Southern Ontario

2011-12

Report on Plans and Priorities

The Honourable Christian Paradis
Minister of Industry

The Honourable Gary Goodyear
Minister of State (Science and Technology)
(Federal Economic Development Agency for Southern Ontario)

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Minister's Message

Our government is committed to positioning Canada to be stronger and more competitive in the global economy. Industry Canada and its Portfolio partners will continue to play their key roles in increasing the country's capacity to create jobs and economic growth.

That is why the Government of Canada is committed to the people of southern Ontario and to making southern Ontario more competitive and productive. Therefore, Industry Canada and its partner agency, the Federal Economic Development Agency for Southern Ontario (FedDev Ontario), will continue to work with local governments, businesses and communities to support the delivery of programs to create a prosperous and globally competitive Ontario.

In the coming year, FedDev Ontario will continue to build on its successes to date by investing in projects across southern Ontario. FedDev Ontario is laying the groundwork for future economic competiveness and prosperity by supporting the innovation, transformation and diversification of Ontario's economy through collaborative partnerships, advocacy and strategic investments in businesses and communities.

Industry Canada and FedDev Ontario remain committed to strengthening our capacity to create jobs and for economic growth – building a stronger economic framework is central to ensuring Canada's place in the global marketplace and ensuring a more prosperous future for all Canadians.

It is my pleasure to present this year's Report on Plans and Priorities for the Federal Economic Development Agency for Southern Ontario.

The Honourable Christian Paradis
Minister of Industry

Minister of State's Message

I am pleased to present the 2011–2012 Report on Plans and Priorities for the Federal Economic Development Agency for Southern Ontario (FedDev Ontario). The report outlines how FedDev Ontario will contribute to making the region more competitive, innovative and diversified.

Since its formation in August 2009, FedDev Ontario has been working with the communities, businesses and residents of southern Ontario to help reshape the region's economy as part of its economic recovery.

The economy remains the top priority of our government. Since FedDev Ontario was launched, more residents of southern Ontario are working thanks to Canada's Economic Action Plan. As this region's economy recovers from the global recession, our government will ensure that our policies continue to reflect the values we share with hard-working families and provide new opportunities for southern Ontario businesses.

The Economic Action Plan is creating jobs and growth in southern Ontario - to make the most of opportunities to innovate, adapt and prosper. Our plan is working, the economy is growing and it is imperative that we build on this momentum as we prepare for the challenges of the future. Our government is committed to strong economic growth and an innovative knowledge-based economy. We will help revitalize and renew the economy of the southern Ontario region to ensure communities and businesses can innovate and the economy can continue to grow now and into the future.

This past year, we launched a series of initiatives to address short-term realities while setting in place the conditions to strengthen the economy for the future. By investing in people, businesses and communities, we can create the conditions for prosperity and provide new opportunities for jobs and economic growth in southern Ontario. By doing so, we aim to create a Southern Ontario Advantage.

We will continue strategic investments in the region and work with southern Ontarians to promote economic growth and enhance competitiveness - to return Ontario to its natural cycle of prosperity. We will work closely with our partners to encourage investment in the region and to improve our global competitiveness so that the people of southern Ontario can continue to enjoy a quality of life that is envied throughout the world.

The Honourable Gary Goodyear
Minister of State (Science and Technology)
(Federal Economic Development Agency for Southern Ontario)

Section I: Departmental Overview

Raison d'être and Responsibilities

The global economic recession had a significant impact in every region of Canada, including southern Ontario. As Canada's most populous region - home to more than 12 million residents living in 288 communities – southern Ontario's economy is a key contributor to the health of the Canadian economy as a whole. The region has distinct economic needs for programming tailored to its priorities. As a result, the Government of Canada created the Federal Economic Development Agency for Southern Ontario (FedDev Ontario), in 2009, as part of *Canada's Economic Action Plan.*

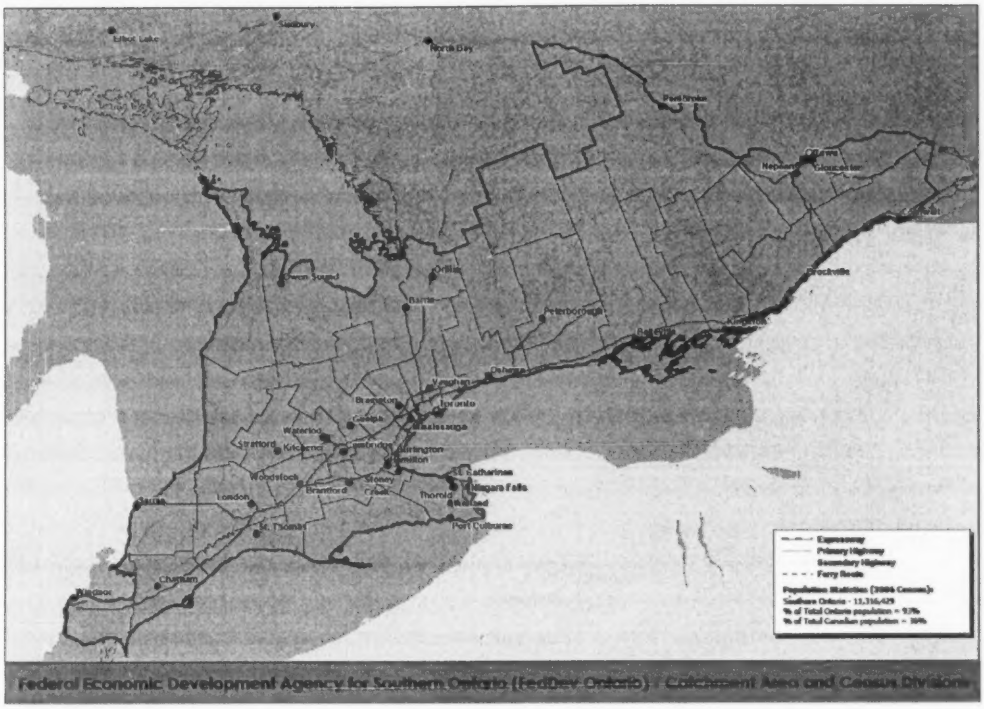
FedDev Ontario was established, with a five-year mandate, to help respond to Ontario's economic challenges, to help restore the Province to its cycle of prosperity and to help position southern Ontario as an important economic driver to building a stronger economy and a stronger Canada.

To fulfill its mandate, FedDev Ontario supports the competitiveness, innovation, and diversification of southern Ontario's economy by: delivering strategic investments to businesses, non-profit organizations and communities; establishing and strengthening collaborative partnerships with key economic stakeholders; and representing the region's interests at the federal and national level.

Scope of Operations:

FedDev Ontario is headquartered in Kitchener and has offices in Toronto, Ottawa, Stratford and Peterborough. Its mandate covers southern Ontario, as defined by the following 37 Statistics Canada census divisions:

▪ Stormont, Dundas and Glengarry	▪ Kawartha Lakes	▪ Niagara	▪ Middlesex
▪ Prescott and Russell	▪ Peterborough	▪ Haldimand-Norfolk	▪ Huron
▪ Ottawa	▪ Durham	▪ Brant	▪ Bruce
▪ Leeds and Grenville	▪ York	▪ Waterloo	▪ Grey
▪ Lanark	▪ Toronto	▪ Perth	▪ Simcoe
▪ Frontenac	▪ Peel	▪ Oxford	▪ Haliburton
▪ Lennox and Addington	▪ Dufferin	▪ Elgin	▪ Renfrew
▪ Hastings	▪ Wellington	▪ Chatham-Kent	
▪ Prince Edward	▪ Halton	▪ Essex	
▪ Northumberland	▪ Hamilton	▪ Lambton	



According to Statistic Canada's annual population estimates for 2009, southern Ontario has a population of more than 12 million people, representing approximately 93% of Ontario's total population and 36% of the total population of Canada.

Accountability Framework

FedDev Ontario is part of the Industry portfolio. Its President oversees Agency operations and resources, and reports to the Honourable Gary Goodyear, Minister of State (Science and Technology) (Federal Economic Development Agency for Southern Ontario). The Executive Committee is the Agency's main governing body. It sets strategic directions and develops, reviews and approves strategic plans, budgets and any other documents or submissions of strategic importance. The Executive Committee is composed of the Agency President (who also acts as chair), the Vice President of Infrastructure, the Vice President of Business Innovation and Community Development, the Chief Financial Officer, the Director of Audit and Evaluation, the Director General of Communications, the Director General of Strategic Policy and the Director of Human Resources.

Strategic Outcome and Program Activity Architecture (PAA)

The PAA demonstrates how FedDev Ontario activities directly support its strategic outcome and ultimately how they support key Government of Canada outcomes. (Please refer to Canada's Performance Report for more details on all government wide outcomes.)

FedDev Ontario launched a series of initiatives to address short-term realities while setting in place the conditions to strengthen the economy for the future. These initiatives are reflected within the program activities for 2011-12. By investing in people, businesses and communities, the Agency will create the conditions for prosperity and provide new opportunities for jobs and economic growth in southern Ontario. Building a Southern Ontario Advantage is FedDev Ontario's approach for returning southern Ontario to a cycle of prosperity. It will help attract new businesses, and new national and foreign investors, while also supporting existing businesses and making sure they stay here in southern Ontario.

<table>
<tr><th colspan="2">Agency Strategic Outcome</th></tr>
<tr><td colspan="2">The economy of southern Ontario is competitive and diversified</td></tr>
<tr><th colspan="2">Program Activities</th></tr>
<tr><td>Business and Innovation Development (2011-12) *</td><td>Economic Regional Development and Infrastructure (2011-12) **</td></tr>
<tr><td>Program Sub-Activities

• Business Financing Support
• Innovation and Commercialization
• Enhanced Enterprise Productivity</td><td>Program Sub-Activities

• Human Capital and Skills Development
• Regional Economic Diversification
• Official Language Minority Communities Development Program
• Brantford Greenwich-Mohawk Remediation Project
• Ontario Infrastructure Program Delivery</td></tr>
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Community and Business Development **(2010-11)**	Infrastructure **(2010-11)** ***
Program Sub-Activities • Southern Ontario Development Program • Eastern Ontario Development Program • Community Futures Program • Official Languages Minority Communities Development Program • Ontario Potable Water Program • Brantford Greenwich-Mohawk Remediation Project • Development Projects for Communities and Businesses	
Policy, Advocacy and Coordination (2011-12)	
Internal Services	

* Initiatives which support the Business and Innovation Development program activity and sub-activities within the 2011-12 PAA structure are: Investing in Business Innovation, Scientist and Engineers in Business, Applied Research and Commercialization, Technology Development Program, and Prosperity Initiative (Productivity and Competitiveness).

** The Economic Regional Development and Infrastructure program activity within the 2011-12 PAA structure does not include the Building Canada Fund (BCF) and the Recreational Infrastructure Canada program (RInC) extended to October 31, 2011 under Canada's Economic Action Plan, at this time, nor does it include the Community Adjustment Fund (CAF) program which sunsets at the end of 2010-11. Initiatives which support the program sub-activities are: Youth-STEM, Scientists and Engineers in Business, Graduate Enterprise Initiative, Official Language Minority Communities Development Program (Economic Development Initiative), Prosperity Initiative (Regional Diversification), and Brantford Greenwich-Mohawk Remediation Project.

*** Included in the 2010-11 Infrastructure program activity of the PAA are the Recreational Infrastructure Canada program (RInC) and the infrastructure programs that FedDev Ontario administers on behalf of Infrastructure Canada. These include the Canada Ontario Municipal Rural Infrastructure Program (COMRIF), the Municipal Rural Infrastructure Fund (MRIF), the Building Canada Fund Communities Component (BCF-CC).

Planning Summary

Financial Resources (millions)

2011–12	2012–13	2013–14
220.3	217.5	217.1

Human Resources (Full-time Equivalent – FTE)

2011–12	2012–13	2013–14
215	210	210

Does not include funding for the Municipal Rural Infrastructure Fund (MRIF) Top-up, and the Building Canada Fund – Communities Component (BCF-CC) extended to October 31, 2011 under Canada's Economic Action Plan.

Activity Planning Summary Table

Strategic Outcome: The economy of southern Ontario is competitive and diversified	
Performance Indicators	**Targets (Reached by March 31,2012)**
Annual growth rate of GDP in Ontario	2%

FedDev Ontario supports the competitiveness and diversification of southern Ontario's economy by: delivering strategic investments to businesses, non-profit organizations and communities; establishing and strengthening collaborative partnerships with key economic stakeholders; and representing the region's interests at the federal and national level.

Program Activity	**Forecast Spending 2010-2011 ($millions)**	**Planned Grant and Contributions (G&C) Spending ($millions)**			**Alignment to Government of Canada Outcomes**
		2011-2012	2012-2013	2013-2014	
Business and Innovation Development	141.0	134.5	135.9	135.7	An innovative and knowledge-based economy

Program Activity	Forecast Spending 2010-2011 ($millions)	Planned Grant and Contributions (G&C) Spending ($millions)			Alignment to Government of Canada Outcomes
		2011-2012	2012-2013	2013-2014	
Economic Regional Development and Infrastructure	429.7	68.8	64.6	64.5	Strong economic growth
Policy, Advocacy and Coordination	2.6	2.0	2.0	2.0	Strong economic growth
Total Planned Spending		205.3	202.5	202.2	

Planned spending does not include funding for the Municipal Rural Infrastructure Fund (MRIF) Top-up, and the Building Canada Fund – Communities Component (BCF-CC) extended to October 31, 2011 under Canada's Economic Action Plan.

Internal Services	Forecast Spending 2010–11	Planned Spending		
		2011–12	2012–13	2013–14
Internal Services	20.9	15.0	15.0	14.9

Contribution to Strategic Outcome

In its first year and a half, FedDev Ontario balanced the priorities of delivering national programs for southern Ontario and developing new initiatives while developing and strengthening the internal capacity of the Agency.

In 2011-2012, FedDev Ontario will focus its efforts to deliver on its four program activities (Business and Innovation Development, Economic Regional Development and Infrastructure, Policy, Advocacy and Coordination, and Internal Services) through three operational and management areas of focus.

The three areas of operational and management focus includes: investing through a balanced strategic portfolio; enhancing collaboration and strengthening partnerships and stabilizing processes and systems. Each of these areas of focus have been identified as being critically important to achieving the Agency's strategic outcome and are described in greater detail below.

1. **Investing through a balanced strategic portfolio**

FedDev Ontario's ability to be responsive and nimble to the needs of southern Ontario will be key to its success. In the fast-paced environment of today's global economy, FedDev Ontario must be able to manoeuvre quickly and effectively with a coherent, strategic and balanced approach.

Plans to meet this area of focus

- Deliver on its commitments through the suite of programming available and seek feedback from clients and partners on how to continuously improve.

- Evaluate and assess the effectiveness of existing programs and services to ensure that the Agency's efforts are responsive to the economic needs and priorities of southern Ontario.

2. **Enhancing collaboration and strengthening partnerships**

FedDev Ontario is relatively small in size compared to other federal departments and agencies. Moreover, economic development is an area where there are multiple and diverse parties of interest.

Consequently, since its creation, FedDev Ontario has worked closely with other federal departments and agencies, other governments, the private sector, universities and colleges, and non-profit organizations. This collaborative approach has proven effective and is one that the Agency will need to continue to develop and strengthen over the next few years. Collaboration is especially important during a period of fiscal restraint to achieve the most value for Canadians.

Plans to meet this area of focus

- FedDev Ontario will continue to raise awareness across southern Ontario about its mandate and its suite of programming so as to establish itself as a credible and effective partner in supporting the economy of southern Ontario.

- FedDev Ontario will continue to pursue partnership and opportunities with stakeholders – other levels of government, the private sector, universities and colleges, the non-profit sector, and communities and the residents of southern Ontario.

3. Stabilizing processes and systems

During the first 18 months, FedDev Ontario introduced several new initiatives and enhancements to programs, thus creating a new environment for clients and partners. During 2011-2012, FedDev Ontario will focus on its current practices by working to stabilize processes and systems in a manner that will establish a track record of success and will continue to build the organization's reputation as competent and effective.

Plans to meet this area of focus

- Continue to build a strong governance framework across the Agency, based on internal controls and risk management.

- Continue to serve clients by deploying and leveraging effective and advanced technologies, including the deployment of a client service management system and internal mechanisms of coordination.

Risk Analysis

External Risk Analysis

A risk analysis annual exercise was conducted by FedDev Ontario externally through the Strategic Policy branch of the Agency and internally by the Audit and Evaluation branch of the Agency. There are a number of critical challenges facing the region and its industries including the ability of companies to access capital, particularly with respect to risk ventures. While identified by industry as a key challenge during the global recession, at which point the economy of southern Ontario saw a sharp contraction, a number of companies still report access to capital as a priority.

In addition, many companies in southern Ontario, a base for a significant share of Canada's manufacturers and exporters, are challenged by an operating environment that includes a relatively high Canadian dollar and slowing growth in key export markets. Border efficiency also remains a critical concern for stakeholders in the southern Ontario region, particularly for companies involved in trade activity with our largest trading partner, the United States. The uncertain operating environment is placing significant pressure on the region's export-intensive sector.

In the longer-term, a key challenge will involve managing potential skills shortages and building a workforce that can enhance the region's ability to compete in the knowledge-based economy. As the southern Ontario economy transitions to a more service-oriented economy, a skilled and available workforce will be an increasingly important driver of competitiveness. Intensifying global competition, another key challenge for the region, has been driving structural adjustments in southern Ontario. The region's industries, including its manufacturers, are re-positioning themselves to compete effectively in global markets and become more productive.

Internal Risk Analysis

The key internal factors and management challenges affecting the ability of FedDev Ontario to fulfill its mandate are linked to its stage of development as an organization, the ambitious nature of its programming and delivery, and the range and diversity of stakeholders and partners. The Agency achieved significant progress over the last eighteen months and will continue to deliver effective and efficient programs, access to outside expertise, implementing sound management control and accountability frameworks and adopting best practices in governance.

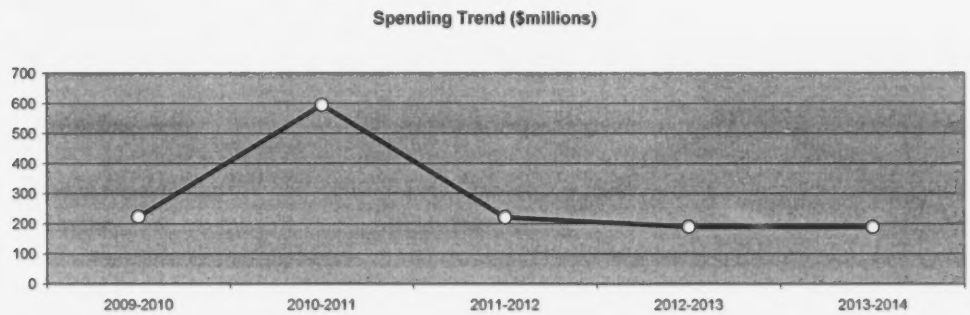
Human resource needs will continue to be framed by the many diverse skill sets and competencies that are needed to ensure that due diligence, delivery, and Official Language requirements are met. Critical to success is the attraction and retention of experienced people that collectively possess the skill sets and competencies needed to ensure that due diligence, delivery and Official Language requirements are met. Processes which have been built, borrowed or adopted from others will need to be re-engineered, streamlined and integrated into a cohesive regime of efficient, sustainable practices, suitable to FedDev Ontario's needs and priorities. As processes stabilize and initial delivery and capacity issues are addressed, and the mandate evolves, it will become increasingly important to demonstrate the value and stewardship of Agency activities.

FedDev Ontario will respond to these risks by placing priority on strategies and learning and development priorities that allow the Agency to leverage outside expertise. FedDev Ontario has plans in place to affect an orderly transfer of third party processes and to stabilize its business processes. As further mitigation, FedDev Ontario will continue to explore more efficient delivery, stronger advocacy, enhanced research and partnering capabilities, improved measurement and reporting practices and a mature evaluation.

Expenditure Profile

FedDev Ontario's planned program spending in 2011-2012 was divided among FedDev Ontario's core programs and initiatives. The Southern Ontario Advantage (SOA) initiatives that FedDev Ontario launched in 2010-2011 include: Applied Research and Commercialization, Technology Development Program, Investing in Business Innovation, the Prosperity Advantage Initiative, the Graduate Enterprise Initiative, Scientists and Engineers in Business and Youth-STEM initiative. These initiatives are all funded under the Southern Ontario Development Program.

FedDev Ontario's Planned Spending (program and internal services) declines by $ 374 million in 2011-12 relative to 2010-11. This is mainly due to the sunsetting of Economic Action Plan (EAP) programs, such as the Community Adjustment Fund (CAF) at the end of the 2010-11 fiscal year. Though the Building Canada Fund (BCF) and the Recreational Infrastructure Canada program (RInC) programs have been extended to October 31, 2011 under the EAP, they have not been reflected in the planned spending for 2011-12.



Estimates by Vote

Estimates by Vote are presented in the 2011–12 Main Estimates which are available here: http://www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/info/info-eng.asp.

Section II: Analysis of Program Activities by Strategic Outcome

Program Activities by Strategic Outcome

The global economic recession had a significant impact on all regions of Canada and Ontario in particular. While the efforts of the Federal Government have helped Canada to be the first country to recover from the recession, the global economy remains volatile, thus affecting the recovery rate for southern Ontario. Nonetheless, southern Ontario remains home to a number of competitive advantages, including: a well-educated and diverse population; an excellent network of higher learning institutions; a business-friendly environment; a vibrant small business community; key economic clusters; and proximity and access to U.S. and international markets.

FedDev Ontario will build on these advantages to help support the southern Ontario economy to be competitive and diversified.

As a young regional development agency, FedDev Ontario will focus its efforts in 2011-2012 on four program activity areas: Business and Innovation Development; Economic Regional Development and Infrastructure; Policy, Advocacy and Coordination; and Internal Services.

These four areas take into account the need to deliver programs and services to business and communities. However, it is important to stress that these four areas are mutually supportive. Consequently, many investments cross-cut more than one activity and all of them contribute to a more competitive and diversified southern Ontario.

Program Activity 1: Business and Innovation Development

Program Activity Expected Results	Performance Indicators	Targets
Improved growth and competitiveness of southern Ontario Small-Medium Enterprises (SMEs)	% of SMEs assisted that maintained or increased their sales	40%

Includes Investing in Business Innovation, Scientist and Engineers in Business, Applied Research and Commercialization, Technology Development Program and the Prosperity Initiative (Productivity)

Planning Highlights

Business Financing Support

There are two Southern Ontario Advantage (SOA) initiatives under the Southern Ontario Advantage (SOA) announced in 2010-2011 that are targeted to support start-up businesses. They are the *Investing in Business Innovation* and the *Scientists and Engineers in Business* initiatives.

Investing in Business Innovation is designed to encourage greater collaboration between entrepreneurs and investors, to provide improved access to venture capital for start-up businesses, to boost private sector investment in start-up businesses, and to help accelerate the development of new products and ideas and bring them to the marketplace.

Scientists and Engineers in Business is designed to promote the next generation of entrepreneurs and innovators by investing in the ideas of recent graduates and graduate students and help them access the skills and support necessary to become successful entrepreneurs and to start their own businesses.

Innovation and Commercialization

Southern Ontario's recovery is dependent on the region's technological progress within the global economy. Small and medium-sized businesses within southern Ontario need to continue to adapt and adjust by investing in technology, innovation and business strategies geared to the demands of an increasingly competitive marketplace.

Colleges and universities can also help businesses to undertake applied research, technology development, piloting and demonstration activities that will enable them to compete in a knowledge-based economy. Given the fact that southern Ontario is home to 35 universities and colleges and numerous research institutes – the largest network of higher learning institutions in the country and among the best in the world – businesses across southern Ontario need to identify opportunities for partnership.

FedDev Ontario will focus its efforts in 2011-2012 to better support small and medium-sized businesses in southern Ontario to work with local colleges, universities and research institutes to bring promising new products to the marketplace faster.

Two of the Agency's SOA initiatives under the SOA (*Applied Research and Commercialization Initiative* and *Technology Development Program*) will provide significant funding to increase the region's innovation capacity.

The *Applied Research and Commercialization Initiative* is a pilot initiative launched in 2010-2011 that provided $15 million to encourage greater collaboration and partnerships between post-secondary institutions with applied research development expertise and Small-Medium Enterprises with pre-commercialization needs. The goal of the Initiative is to accelerate innovation and to improve productivity and competitiveness.

The *Technology Development Program* will encourage research and innovation organizations, the private sector, post-secondary institutions and not-for-profit organizations to work together to accelerate the development of large-scale, advanced technologies that will result in new and improved market opportunities for southern Ontario businesses.

A Competitive Advantage element of the SOA *Prosperity Initiative* will help businesses, universities, colleges and not-for-profit organizations in southern Ontario undertake projects that will enhance key economic clusters that have or are developing significant positions in producing products or services within the global economy. The region's prosperity is dependent on its ability to utilize both its researched and entrepreneurial resources in a focused effort aimed at competing within the global economy.

Enhanced Enterprise Productivity

Prior to the economic downturn, low productivity in southern Ontario had been masked by many of the region's competitive advantages. However, the current economic environment has highlighted the importance for increased productivity. As such, the Agency will focus its efforts in 2011-2012 to work collaboratively with others: to support businesses to invest in new technologies, to increase capacity utilization; and to increase the rate of response of individual Canadian businesses to changes in economic conditions. The Agency will do this through the *Prosperity Initiative (Productivity Enhancements)* – an initiative designed to support projects that result in the adaptation and adoption of new technologies, processes and skills development that will enhance business productivity in southern Ontario.

Benefits for Canadians

Southern Ontario is home to more than 360,000 businesses and 35 universities and colleges. Together these organizations along with support from governments and the non-profit sector will drive innovation by: creating new products and services; producing existing products in new ways;

Priorities for 2011-2012

- Increase the region's market-oriented innovation capacity
- Work with others to accelerate the adoption/adaption of new technologies, processes and skills
- Diversify southern Ontario economy by expanding markets and moving more ideas and products to market.

and developing new markets. These are the elements necessary to improve the region's productivity, accelerate growth and maintain and enhance the region's living standards in the context of a global knowledge-based economy.

Program Activity 2: Economic Regional Development and Infrastructure Development

Program Activity Expected Results	Performance Indicators	Targets
Southern Ontario communities have increased economic opportunities and higher capacity to respond to challenges	Leveraging of Agency funds invested against other sources of funding	1:2

Includes Youth-STEM, Scientists and Engineers in Business, Graduate Enterprise Initiative, Community Futures Program, Economic Development Initiative, Prosperity Initiative (Regional Diversification) and the Brantford Greenwich-Mohawk Remediation Project.

Planning Highlights

Human Capital and Skills Development

Canada needs more young women and men in science, technology, engineering and mathematics (STEM) to ensure future economic growth and ability to create new jobs. FedDev Ontario has launched several initiatives that are designed to promote the next generation of entrepreneurs and innovators, including *Scientists and Engineers in Business.* The Agency also has two other unique initiatives that support human capital and skills development: *Youth STEM* and *Graduate Enterprise Internship.*
Youth STEM provides students (from kindergarten to grade 12) the chance to discover and learn about exciting opportunities in science, technology, engineering and mathematics. *Youth STEM* projects will provide long-term investments for the region's future economic prosperity.

For more immediate economic requirements, FedDev Ontario will provide funding through *Graduate Enterprise Internship* to address the needs of graduate students and recent graduates of programs in science, technology, engineering and mathematics by arranging internships (including structured mentoring opportunities) with small and medium-sized companies in southern Ontario.

Regional Economic Diversification

With the rapidly changing economy, it is important that southern Ontario communities are competitive players in the global market. Promoting economic development in communities encourages the development of skills, ideas and opportunities across southern Ontario. As such, FedDev Ontario supports several programs that promote regional economic development through diversification.

During the next year, FedDev Ontario will continue to work with communities and regions within southern Ontario to identify local solutions to local challenges and opportunities. The *Community Futures Program* and the Regional Diversification element of the *Prosperity Initiative are designed to* support the Agency's efforts in this area.

Official Language Minority Communities

Francophone communities in southern Ontario are an important component of the region's rich diversity and its economy. As part of the Government of Canada's overall commitment to enhance the vitality of English and French minority communities across Canada, FedDev Ontario will continue to work with partners to respond to the needs and opportunities of French minority communities in southern Ontario through its *Economic Development Initiative*.

This initiative is part of the *Economic Development Initiative* - the "Roadmap for Canada's Linguistic Duality 2008-2013: Acting for the Future," the Government of Canada's strategy for official languages.

Brantford Greenwich-Mohawk Remediation Project

In 2007, the Government of Canada made a commitment to assist the clean-up and redevelopment of brownfields in Brantford, Ontario, totalling more than 50 acres. The end date for the project is March 31, 2013.

In 2011-2012, FedDev Ontario will continue to provide funding for the redevelopment of this site with the aim of improving environmental quality, health and safety, helping create and retain employment opportunities, and revitalizing land and leading to infrastructure development in the city.

Infrastructure

Strong, safe and modern communities are essential building blocks for Canada's competitiveness and long-term prosperity. In 2011-2012, FedDev Ontario will continue to work with others, including Infrastructure Canada, the province of Ontario and communities, to support the infrastructure needs within southern Ontario. The Agency delivers infrastructure programs such as the *Canada Ontario Municipal Rural Infrastructure Program (COMRIF) the Municipal Rural Infrastructure Fund (MRIF)* Top-up and the *Building Canada Fund-Communities Component (BCF-CC).*

Through *Canada's Economic Action Plan*, FedDev Ontario delivered a number of stimulus programs designed to respond to the serious economic situation facing many Canadians by investing in the infrastructure needs of communities. On December 2, 2010, the Prime Minister announced an extension to some of these programs until October 31, 2011. FedDev Ontario will continue to work with its partners to ensure that projects under the Building Canada Fund Communities Component Top-Up which it also delivers on behalf of Infrastructure Canada and the Recreational Infrastructure Canada Program in Ontario are successfully completed.

Benefits for Canadians

Canada has long been defined by the richness and diversity of its regions. Southern Ontario – the country's most populous region – faces unique challenges and opportunities that require regional based solutions.

Priorities for 2011-2012

- Partner with others to increase the region's ability to retain and attract the best and the brightest
- Support communities to be strong, prosperous and diversified
- Deliver the Government of Canada's commitment to enhance the vitality of official language minority communities
- Invest in critical infrastructure projects

Program Activity 3: Policy, Advocacy and Coordination

Planning Highlights

In 2011-2012, FedDev Ontario will continue to focus its efforts on building its reputation as a centre of knowledge regarding the economy of southern Ontario. This will be achieved through strategic research, data collection, analysis and consultation with stakeholders, on key issues such as skills and workforce, access to credit, industrial base and performance, competitiveness, communities and diversification. FedDev Ontario will continue to identify ways to better articulate its key objectives and outcomes so as to better respond to the economic challenges and opportunities within southern Ontario and to communicate these efforts more effectively to Canadians. By understanding the needs

of the region and its clients, FedDev Ontario will be better positioned to develop effective policies and programs.

In its role as advocate for southern Ontario, FedDev Ontario will pursue opportunities to build federal and intergovernmental collaboration on issues of mutual interest. FedDev Ontario will continue to represent the southern Ontario perspective on key files, such as gateways, borders and global commerce. As the host of the Ontario Federal Council, the Agency will work with its federal partners to advance both the government's priorities in the region and the economic interests of southern Ontario on federal policy issues.

FedDev Ontario will continue to explore opportunities to develop forums and mechanisms to enhance coordination and collaboration with other stakeholders. FedDev Ontario will also seek to act as a facilitator for investors looking to do business in southern Ontario.

Benefits for Canadians

Southern Ontario has traditionally been home to a thriving manufacturing sector and a number of industries. The region's economy has been under intense pressure as international competition has intensified and the region has been recovering from the impact of the global economic recession.

Priorities for 2011-2012

- Ensure that the interests of southern Ontario are known and considered in national policy, program and project development and implementation
- Provide ongoing leadership in working with others to promote the interests of southern Ontario

Southern Ontario remains a cornerstone of Canada's economic engine, yet it is expected that its future competitiveness will increasingly rely on the ability of its industry to innovate and become more productive. While the region has a number of competitive advantages, it also faces some difficult and unique economic challenges.

FedDev Ontario has the unique position within the Government of Canada to represent the regional interests of southern Ontario at the national level. A strong and prosperous southern Ontario contributes greatly to a strong and prosperous Canada.

Program Activity 4: Internal Services

Internal Services are groups of related activities and resources that support the needs of programs and other corporate obligations of an organization. These groups are management and oversight services, communications, legal services, human resources management, financial management, audit and evaluation, information management, information technology, real property services, material services, acquisitions, and travel and other administrative services.

Priorities for 2011-2012

- Strengthen the Agency's internal capability and systems (human resources, communications, financial, audit and evaluation, information management and information technology)
- Increase awareness of the organization and its initiatives throughout southern Ontario

In 2011-2012, FedDev Ontario will continue to build its organizational processes and policies to better serve the interests of southern Ontario. As such, it will focus on developing and stabilizing processes relating to accountability, internal controls, audit and evaluation, performance measures, internal coordination and reporting and ensuring its present programs are fully operational. To do so, FedDev Ontario will need to ensure that it is a healthy workplace combined with qualified staff. FedDev Ontario will put in place a number of measures to increase awareness of the organization and its initiatives throughout southern Ontario. In 2011-2012, FedDev Ontario will seek to: increase the ongoing profile of the Agency within southern Ontario; communicate a clear, consistent message using a variety of communication tools (including new technologies); encouraging contact, discussion and partnerships and communicate the Agency's results to the public.

Section III: Supplementary Information

Financial Highlights

Future-oriented Condensed Statement of Operations
http://www.feddevontario.gc.ca/eic/site/723.nsf/eng/00455.html#FOCSO
For the Year (Ended March 31)
($ millions)

	% change	Future-oriented 2011–12	Future-oriented* 2010–11
Expenses			
Transfer Payments	(65%)	191.7	553.0
Salary	(2%)	17.3	17.7
Employee Benefit Plan	(1%)	5.0	5.1
Non-Salary Operating & Maintenance	(53%)	10.3	21.8
Net Cost of Operations	(62%)	224.3	597.6

*In the statement of operations there will be small differences relative to authorities caused by expenses incurred due to purchases made under previous authorities, i.e. depreciation on an asset purchased under a previous year's authority.

Supplementary Information Tables

All electronic supplementary information tables found in the 2011–12 Report on Plans and Priorities can be found on the Treasury Board of Canada Secretariat's web site at: http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp

- Details of Transfer Payment Programs (TPPs)
- Up-Front Multi-Year Funding
- Green Procurement Reporting For Departments and Agencies Not Bound by the Federal Sustainable Development Act
- Upcoming Internal Audits and Evaluations over the next three fiscal years
- Summary of Capital Spending by Program Activity